

1 Settlement of Lawsuit

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3 **Ordinance authorizing the settlement of the bankruptcy claim filed by the City and**
4 **County of San Francisco, acting by and through its Airport Commission against**
5 **Northwest Airlines Corporation, for the settlement of the litigated bankruptcy claim**
6 **between the Airport with regard to In re Northwest Airlines Corporation, et al., Debtors,**
7 **Case No. 05-17930ALG, United States Bankruptcy Court for the Southern District of**
8 **New York; and authorizing settlement of the lawsuit filed by the City and County of San**
9 **Francisco, acting by and through its Airport Commission against Northwest Airlines**
10 **Corporation, for agreement to pay a percentage allocation of future clean-up costs with**
11 **regard to City and County of San Francisco v. ARCO et al., Case No. C-97-2965 MMC**
12 **(N.D. Cal).**

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14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The City Attorney is hereby authorized to settle the case with Northwest
16 Airlines Corporation called In re Northwest Airlines Corporation, et al., Debtors, Case No. 05-
17 17930ALG United States Bankruptcy Court for the Southern District of New York and a
18 related litigated claim with regard to City and County of San Francisco v. ARCO et al., Case
19 No. C-97-2965 MMC (N.D. Cal) on the terms and conditions specified in that certain Cure
20 Stipulation on file with Clerk of the Board (file no. _____);

21 Section 2. The Cure Stipulation and the actions contemplated thereby are hereby
22 approved.

23 Section 3. The material terms of the Cure Stipulation include but are not limited to
24 Northwest Airlines Corporation ("Northwest Airlines") payment to the San Francisco
25 International Airport ("Airport") of One Million Sixty-Nine Thousand Five Hundred Six Dollars

1 and Twenty-Four Cents (\$1,069,506.24) in full and final satisfaction of Northwest Airlines'
2 obligation to cure all defaults under their Airport lease agreements; Northwest Airlines
3 payment of One Hundred Eighteen Thousand Thirty Dollars and Twenty Cents (\$118,030.20)
4 for past environmental clean-up costs and agreement to assume a percentage allocation of
5 future environmental clean-up costs.

6 Section 4. That the Airport Director be and hereby is authorized to take such other
7 actions as are necessary and appropriate in furtherance of this ordinance, including the
8 execution of agreement(s) and modifications contemplated by the Cure Stipulation, provided
9 such agreement(s) are approved as to form by the City Attorney.

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11 APPROVED AS TO FORM:
12 DENNIS J. HERRERA, City Attorney

RECOMMENDED:
San Francisco Airport Commission

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15 By: _____
David Serrano Sewell
Deputy City Attorney

By: _____
John L. Martin
Airport Director

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Resolution No. 07-0120
Adopted: May 15, 2007

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Attest: _____
Secretary
Airport Commission

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